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MICHIGAN LABOR MARKET REVIEW

Vol. XLIV No. 10
October 1988

JOB SERVICE

Michigan Employment Security Commission

STATEWIDE JOBLESS RATE REMAINS STABLE

Even with minor fluctuations occurring in the statewide labor force estimates, Michigan's unadjusted unemployment rate remained steady at 6.6 percent in October. The monthly jobless rate represents approximately 305,000 unemployed individuals. Labor market conditions have been relatively stable and healthy throughout the state over the past several months, thereby keeping the jobless rate in the seven percent range. Total employment in October registered a slight gain as the number of employed state residents inched upward by 8,000 to reach 4,291,000. Minor employment gains in education and manufacturing led to increased employment activity. Additionally, the civilian labor force expanded by 8,000 to reach 4,596,000 for the month. Compared with a year ago, employment in Michigan has climbed by 79,000, while the size of the labor force has jumped by 74,000. In October 1987, the total number of persons out of work amounted to 310,000, representing an unemployment rate of 6.9 percent.

WAGE AND SALARY EMPLOYMENT INCREASES IN MICHIGAN

Total nonagricultural wage and salary employment in Michigan increased as industry jobs rose to 3,815,000 in October. Employment opportunities climbed by approximately 53,000 as gains were centered in both the goods producing and service producing sectors of the economy. Total employment in the goods producing industries inched upward by 5,000 primarily as a result of gains in durable goods. Service producing employment advanced by 49,000 to 2,715,000 in October, due to seasonal callbacks in education. Public sector positions jumped by 36,000 as a result. Since October 1987, industry employment in Michigan has increased by 46,000 positions or 1.2 percent. Approximately 51,000 service producing jobs have been added throughout the year, while goods producing employment slipped by 5,000.

Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	OCT 1988	SEP 1988	AUG 1988	OCT 1987
PLACE OF RESIDENCE				
Civilian Labor Force	4596	4588	4662	4522
Employment	4291	4283	4337	4212
Unemployment	305	305	325	310
Rate	6.6	6.6	7.0	6.9
PLACE OF WORK				
Wage and Salary Employment	3815	3762	3708	3769
Goods Producing Industries	1100	1095	1072	1105
Construction and Mining	157	156	157	144
Mining	10	10	11	10
Construction	147	146	147	134
Special trade Contractors	96	96	96	87
Other Construction	51	50	50	47
Manufacturing	943	939	914	960
Durable Goods	718	714	691	737
Lumber and Wood Products	13	13	13	14
Furniture and Fixtures	34	34	34	32
Stone, Clay and Glass Products	18	19	19	18
Metals	167	166	161	167
Primary Metals	49	49	48	49
Fabricated Metals	117	117	114	119
Nonelectrical Machinery	121	120	117	122
Electrical Machinery	35	34	35	36
Transportation Equipment	307	307	289	327
Motor Vehicles and Equipment	287	286	268	305
Other Transportation Equipment	20	21	21	21
Other Durable Goods	22	22	22	22
Nondurable Goods	226	224	223	223
Food and Kindred Products	47	46	48	47
Textiles and Apparel	21	21	20	22
Paper and Allied Products	20	20	20	20
Printing and Publishing	41	40	40	39
Chemicals and Petroleum	44	44	45	44
Other Nondurable Goods	53	52	51	51
Rubber and Plastic Prod.	50	50	49	48
Leather Products	2	2	2	2
Service Producing Industries	2715	2666	2636	2664
Trans., Comm. and Utilities	153	152	154	150
Transportation and Utilities	117	117	117	113
Communications	36	35	37	36
Wholesale Trade	191	191	191	188
Durable Goods	120	120	119	118
Nondurable Goods	71	72	72	70
Retail Trade	697	692	696	684
General Merchandise Stores	97	94	95	102
Food Stores	105	104	104	97
Automotive Dealers and Services	74	75	75	75
Eating and Drinking Places	236	237	240	232
Other Retail Trade	185	181	182	179
Finance, Insurance and Real Estate	184	184	186	178
Finance	94	94	95	92
Insurance and Real Estate	90	91	91	86
Services	848	843	840	825
Business Services	182	179	178	179
Health Services	271	271	272	268
Other Services	395	393	390	378
Government	641	605	569	640
Federal	62	62	63	61
State	169	154	143	166
Local	410	388	363	412
Labor Disputes	0	0	0	4

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1987 Benchmark.

WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits continued to decrease in October. The regular benefits claims load averaged 78,198 per week during the month, approximately 1,200 less than the September total.

The 1.5 percent decrease was primarily due to employment gains. In October 1987, the number of claimants drawing benefits under the regular benefit program averaged 88,955, or approximately 13.8 percent higher than the present total.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
October 01, 1988	87,700	10,400	77,300	43,600	4,900	38,700
October 08, 1988	91,800	14,500	77,300	46,600	6,500	40,100
October 15, 1988	86,900	11,900	75,000	43,200	5,200	38,000
October 22, 1988	88,100	11,300	76,800	43,300	5,300	38,000
October 29, 1988	86,600	12,300	74,300	42,300	5,100	37,200

DETROIT CPI CONTINUES TO CLIMB

Consumer prices in the Detroit metropolitan area increased from 117.6 in August to 118.6 in October. The increase in Detroit area prices was primarily due to higher costs for men and women's apparel. Prices in the area climbed by 3.9 percent since October 1987, when the consumer price index stood at 114.1. At the national level, the cost of living advanced by three-tenths of a percent to reach 120.2 during the month.

The higher national prices were also due to additional costs for men and women's apparel. Between October 1987 and October 1988, national consumer prices increased by 4.2 percent. One year ago, the national index registered 115.3. Note: Beginning in January 1988, the Consumer Price Indexes were shifted to a new reference base year. All indexes expressed on a 1967=100, were rebased to 1982-1984=100.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries decreased to 43.5 hours in October. The decrease occurred primarily as a result of fewer hours worked by individuals in all manufacturing sectors.

During the month average hourly earnings dropped by eight cents to $13.37, while average weekly earnings decreased by $8.86 to total $581.59. In October 1987, earnings averaged $13.01 an hour or $555.53 per week for a 42.7 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Hourly Earnings a/			Average Weekly Hours a/			Average Weekly Earnings a/		
	Oct 1988	Sep 1988	Oct 1987	Oct 1988	Sep 1988	Oct 1987	Oct 1988	Sep 1988	Oct 1987
TOTAL MANUFACTURING	$581.59	$590.45	$555.53	43.5	43.9	42.7	$13.37	$13.45	$13.01
DURABLE GOODS	616.44	628.41	585.66	44.0	44.6	43.0	14.01	14.09	13.62
Primary Metal Products	596.20	615.71	579.48	44.0	44.2	44.0	13.55	13.93	13.17
Fabricated Metal Products	580.18	578.96	551.59	43.2	43.4	42.3	13.43	13.34	13.04
Nonelectrical Machinery	598.05	606.15	559.01	44.3	44.9	43.1	13.50	13.50	12.97
Electrical Machinery	472.57	497.83	472.21	43.0	43.9	41.9	10.99	11.34	11.27
Motor Vehicles & Equip.	733.41	750.51	679.72	45.3	46.1	43.6	16.19	16.28	15.59
NONDURABLE GOODS	462.59	469.70	451.36	41.6	41.9	41.6	11.12	11.21	10.85
Contract Construction	655.18	647.90	638.80	41.0	40.8	41.4	15.98	15.88	15.43
Department Stores	181.32	177.44	175.70	28.6	28.3	27.8	6.34	6.27	6.32

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

Note: *Current month data are preliminary.*

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
OCTOBER 1988 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	122,432,000	116,250,000	6,182,000	5.0
Michigan	4,596,000	4,291,000	305,000	6.6
Major Labor Markets				
Ann Arbor MSA	167,000	161,200	5,800	3.4
Battle Creek MSA	65,700	61,400	4,300	6.5
Benton Harbor MSA	79,300	74,200	5,100	6.4
Detroit MSA	2,195,000	2,045,000	150,000	6.8
Flint MSA	195,100	172,300	22,900	11.7
Grand Rapids MSA	362,800	345,400	17,400	4.8
Jackson MSA	64,500	60,100	4,400	6.8
Kalamazoo MSA	119,300	113,700	5,700	4.7
Lansing MSA	245,100	232,800	12,300	5.0
Muskegon MSA	69,000	63,000	6,000	8.7
Saginaw-Bay-Midland MSA	191,700	180,000	11,600	6.1
Upper Peninsula LMA	133,800	124,800	9,000	6.7
Major Counties (15,000+)				
Allegan	56,000	53,175	2,800	5.0
Barry	21,525	20,275	1,250	5.8
Bay	55,250	51,650	3,600	6.5
Branch	18,150	16,825	1,325	7.3
Cass	23,775	22,600	1,175	4.9
Clinton	30,250	28,800	1,450	4.8
Delta	16,050	14,900	1,125	7.1
Eaton	52,950	50,550	2,375	4.5
Grand Traverse	35,950	33,825	2,125	5.9
Gratiot	17,850	16,525	1,325	7.4
Hillsdale	20,175	18,825	1,350	6.7
Huron	16,375	15,225	1,150	7.0
Ingham	161,875	153,425	8,450	5.2
Ionia	19,425	17,850	1,550	8.0
Isabella	29,575	28,150	1,425	4.8
Kent	267,850	254,300	13,525	5.1
Lapeer	33,025	30,000	3,025	9.2
Lenawee	43,450	39,925	3,525	8.1
Livingston	52,075	49,675	2,425	4.6
Macomb	379,975	353,575	26,425	7.0
Marquette	29,225	27,550	1,675	5.7
Midland	36,200	34,550	1,650	4.5
Monroe	62,775	59,025	3,725	6.0
Montcalm	22,025	20,125	1,900	8.7
Newaygo	17,250	16,050	1,200	7.0
Oakland	579,325	547,200	32,100	5.5
Ottawa	94,950	91,075	3,875	4.1
Saginaw	100,225	93,850	6,400	6.4
St. Clair	64,125	60,500	3,625	5.7
St. Joseph	27,800	25,475	2,325	8.3
Sanilac	20,300	18,750	1,550	7.6
Shiawassee	34,550	31,850	2,700	7.8
Tuscola	23,325	21,300	2,025	8.7
Van Buren	31,900	29,400	2,500	7.8
Wayne	1,023,925	945,525	78,400	7.7

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